

Arizona Ready K-20 Funding Taskforce

Taskforce Guiding Principles

College and Career Readiness

1. Schools should drive improved student achievement and academic growth so that by 2020 more than 93% of Arizona students graduate from high school college and career ready

Efficiency

2. The state should structure its budget and the school finance system to utilize its resources most efficiently and to drive action at the local level that improves student achievement

Flexibility

3. Local flexibility with funding and with regulatory requirements should be based on local performance

Local Innovation

4. That state should move toward a school finance system that can be updated easily and allows for innovation at the local level

Areas Discussed In-Depth with Funding Work Group

1. Increasing Flexibility for High Performing LEAs
2. Increasing Supports for Struggling Schools
3. Calculating and Implementing Performance Funding
4. Broadening the Factors Used for the A-F School Accountability Labels

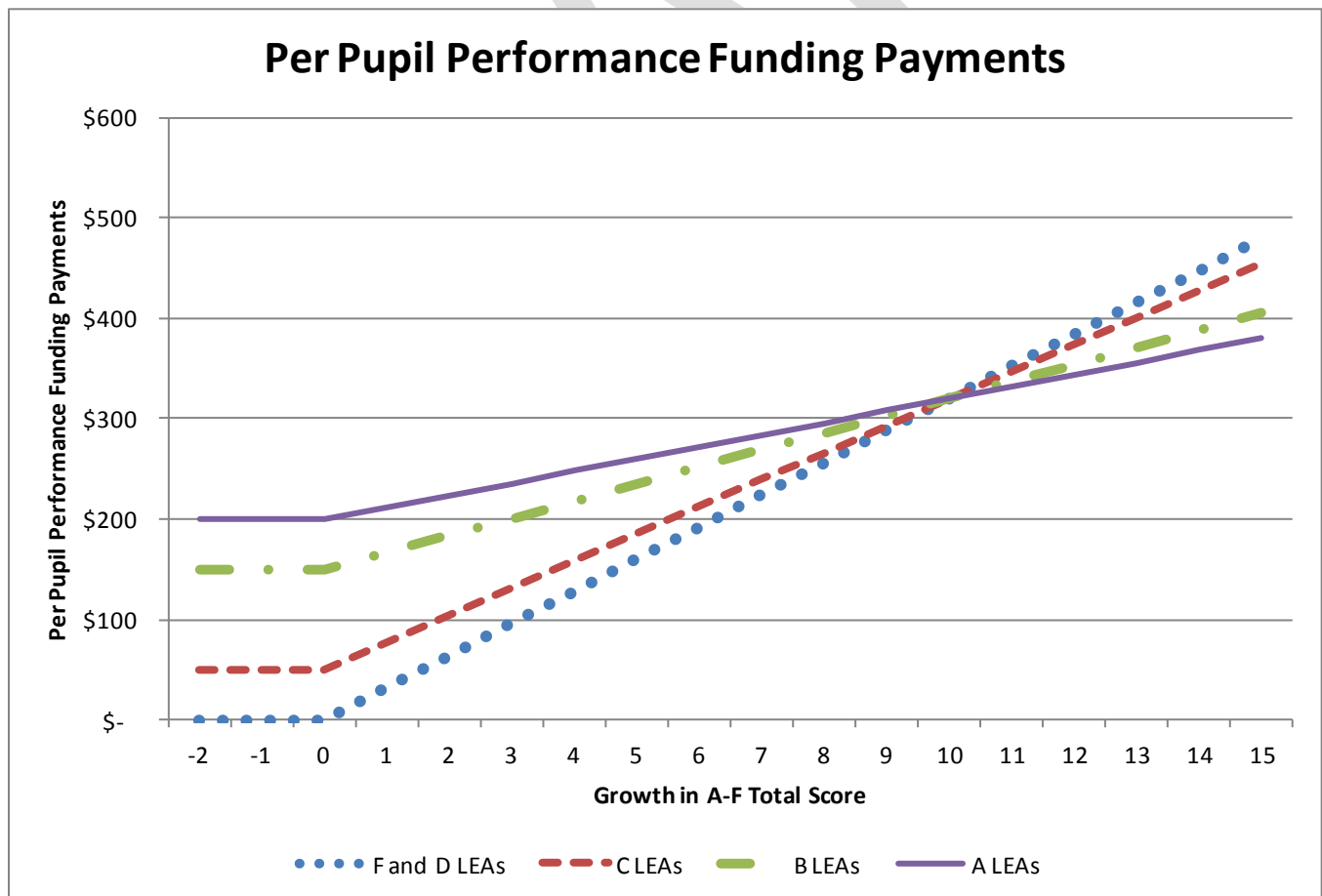
Proposed Performance Funding Framework

Recommendations

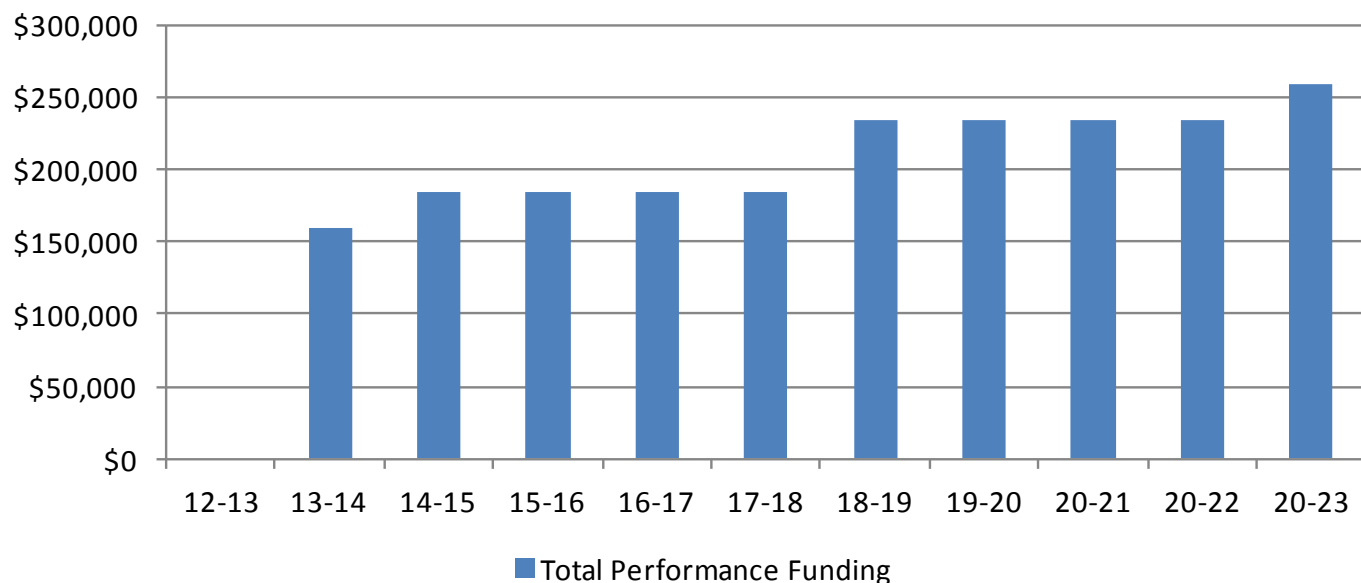
1. Provide graduated achievement payments to A, B, and C LEAs
2. Provide growth payments to LEAs who move above their highest previous score on the 200 point scale used for the A-F calculations
 - a. The smallest growth payments should go to A LEAs
 - b. The largest growth payments should go to D and F LEAs

Example LEA Performance Funding Framework

Payment Type	F LEA	D LEAs	C LEA	B LEA	A LEA
Per Point Growth Payment	\$ 32	\$ 32	\$ 27	\$ 17	\$ 12
Achievement Payment	\$ -	\$ -	\$ 50	\$ 150	\$ 200

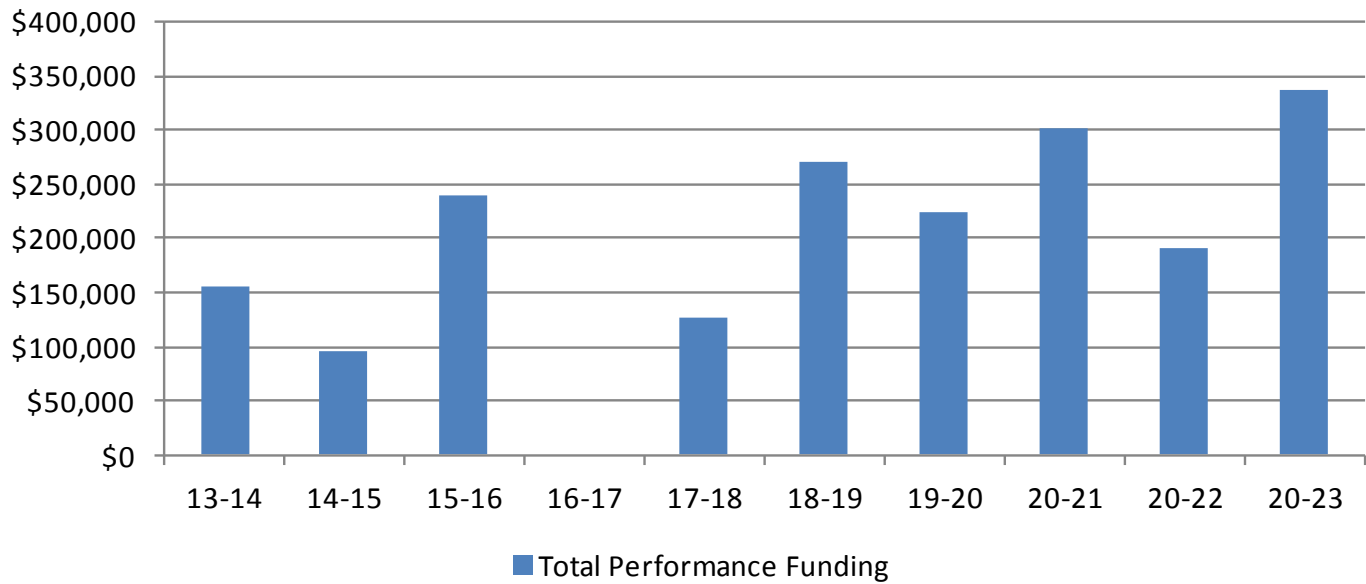


Example LEA's Performance Funding



Example LEA						
School Year	ADM	School Grade	Total Points	Growth in Score From Highest Previous Score	Per Pupil Performance Funding	Total Performance Funding
12-13	1,000	D	90			
13-14	1,000	D	95	5	\$ 160	\$ 160,000
14-15	1,000	C	100	5	\$ 185	\$ 185,000
15-16	1,000	C	105	5	\$ 185	\$ 185,000
16-17	1,000	C	110	5	\$ 185	\$ 185,000
17-18	1,000	C	115	5	\$ 185	\$ 185,000
18-19	1,000	B	120	5	\$ 235	\$ 235,000
19-20	1,000	B	125	5	\$ 235	\$ 235,000
20-21	1,000	B	130	5	\$ 235	\$ 235,000
20-22	1,000	B	135	5	\$ 235	\$ 235,000
20-23	1,000	A	140	5	\$ 260	\$ 260,000

Example LEA's Performance Funding



Example LEA						
School Year	ADM	School Grade	Total Points	Growth in Score From Highest Previous Score	Per Pupil Performance Funding	Total Performance Funding
12-13	925	D	90			
13-14	975	D	95	5	\$ 160	\$ 156,000
14-15	1,000	D	98	3	\$ 96	\$ 96,000
15-16	1,005	C	105	7	\$ 239	\$ 240,195
16-17	950	D	98	-7	\$ -	\$ -
17-18	975	C	108	3	\$ 131	\$ 127,725
18-19	1,020	C	116	8	\$ 266	\$ 271,320
19-20	1,030	B	120	4	\$ 218	\$ 224,540
20-21	1,050	B	128	8	\$ 286	\$ 300,300
20-22	1,040	B	130	2	\$ 184	\$ 191,360
20-23	1,055	A	140	10	\$ 320	\$ 337,600

Performance Funding Implementation

Recommendations

1. Performance funding should not be paid for through the elimination of specific components of the school funding formula like the Teacher Experience Index
2. Performance funding should be paid for with a combination of new dollars and dollars reallocated from base funding
 - a. A greater proportion of performance funding should come from new dollars than reallocated dollars
 - b. Reallocated dollars should come from a percentage decrease on an LEA's total base funding
3. Performance funding should grow over time to a certain percentage (probably 5%) of total formula funding

Example % of School Formula Funding Allocated to Performance Funding			
School Year	New Funds	Reallocated Funds	Total
13-14	0.67%	0.33%	1.00%
14-15	1.00%	0.50%	1.50%
15-16	2.00%	1.00%	3.00%
16-17	2.67%	1.33%	4.00%
17-18	3.33%	1.67%	5.00%

Example Dollars Allocated to Performance Funding

School Year	New Funds	Reallocated Funds	Total
13-14	\$ 37,184,100	\$ 18,592,100	\$ 55,776,200
14-15	\$ 55,776,200	\$ 27,888,100	\$ 83,664,300
15-16	\$ 111,552,400	\$ 55,776,200	\$ 167,328,600
16-17	\$ 148,736,200	\$ 74,368,100	\$ 223,104,300
17-18	\$ 185,920,700	\$ 92,960,300	\$ 278,881,000

Example Performance Funding Levels

